

DOA Administrative Letter No. 03-9

To: Area Agency on Aging Directors
 LRO Executive Directors
 LRO Finance Officers

Subject: Reduction in State Home and Community Care Block Grant Funding
 and Additional State Senior Center General Purpose Funding

Date: July 11, 2003

The authorized SFY 03-05 biennial budget (Joint Conference Committee Report, Section G.1, dated June 28, 2003) specifies a recurring \$1,000,000 reduction for the Home and Community Care Block Grant. The attachments provide regional and county revisions to SFY 03-04 Home and Community Care Block Grant funding.

Reductions are based on SFY 03-04 shares of funding through the Intrastate Funding Formula. The county funding information reflects 1) federal and state funding that was provided to counties and area agencies on April 28, 2003; 2) the amount of state funding reduction; and 3) current county funding for the Home and Community Care Block Grant. Revisions to county funding do not affect minimums for access and in-home services or the funding stated for nutrition services, as indicated in county funding charts provided in April.

While the SFY 03-04 HCCBG funding loss is \$1,000,000, SFY 03-04 funding is being reduced by \$885,000. The difference of \$115,000 is state HCCBG funding that the Division held in contingency to ensure that the Project CARE Alzheimer's Demonstration Grant could be matched during SFY 03-04. Since the Duke Family Support Program and the Western Carolina Alzheimer's Chapter received full state funding, match for Project CARE is available. Therefore, this funding is being reinstated to the Home and Community Care Block Grant.

Area agencies on aging are to provide reallocations to their counties so that adjustments can be made to HCCBG county funding plans. The Division will set ARMS county allocation tables on the basis of the attached funding levels for July, 2003. SFY 03-04 provider budgets can be entered into ARMS as of August 1.

Senior Center Outreach and General Purpose Funding

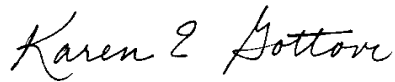
The biennial budget does provide a \$100,000 increase for senior centers on a recurring basis, but increases the matching requirements on all state senior center funding from 10% to 25%. The attached file *omb04-7-03.xls* adjusts the matching rate for Senior Center Outreach. The Division is directing all of the \$100,000 increase to Senior Center General Purpose funding. SFY 03-04 state General Purpose funding will be \$984,316. Including the local matching requirement of \$328,105, total funding for General Purpose will be \$1,312,421. The Division will allocate this funding on the basis of the number of

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existing and developing centers and centers of merit and excellence in each region by mid-August.

Please contact Gary Cyrus or Steve Freedman if the Division can be of further assistance.

Sincerely,

A handwritten signature in black ink that reads "Karen E. Gottovi". The script is cursive and fluid, with the first name "Karen" and last name "Gottovi" clearly legible.

Karen E. Gottovi, Director
Division of Aging

Attachments